

County of Los Angeles  
**DEPARTMENT OF PUBLIC SOCIAL SERVICES**

12860 CROSSROADS PARKWAY SOUTH • CITY OF INDUSTRY, CALIFORNIA 91746  
Tel (562) 908-8400 • Fax (562) 908-0459



BRYCE YOKOMIZO  
Director

LISA NIÑEZ  
Chief Deputy



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February 14, 2007

TO: Each Supervisor

FROM: Bryce Yokomizo, Director

**SUBJECT: STAGE 1 CHILD CARE CONTRACT - STATUS REPORT  
(BOARD ORDER SYN. #45 - DECEMBER 1, 1998)**

In response to your Board's December 1, 1998 order, this is the six-month Stage 1 Child Care contract evaluation report for July – December 2006 services. Statistical data has been updated to reflect the 13 contractors' performance of services under the contract for the last six months of 2006.

**Collocation Staff:** Contractor staff collocated at our CalWORKs and GAIN Regional offices continue to provide expedited referrals and child care authorizations to all CalWORKs participants seeking Child Care Services.

**Average Number of Cases Served:** For the period July – December 2006, the average number of cases receiving Stage 1 Child Care Services was 11,582 cases per month (Attachment I). This is a decrease of 84 cases from the January – June 2006 average of 11,666.

**Average Number of Children Served:** The monthly average number of children served in Stage 1 during the period was 16,226 compared to 16,455 during the previous six months, a decrease of 229 children. (Attachment II)

**Complaints:** During this reporting period, there was a slight increase in the number of child care complaints received, with an average of 17 calls per month compared to 12 calls per month in the previous reporting period. The average monthly complaints continue to be less than one percent of the average monthly caseload.

**Monitoring:** DPSS continues to monitor the agencies closely by conducting on-site case reviews to confirm that contractors adhere to contract provisions for time limits for making referrals, authorizing child care and issuing timely and correct child care provider payments. Other areas reviewed by DPSS include case record documentation and meeting the language requirements mandated for agencies' staff. During this reporting period Pomona Unified School District exceeded the Unsatisfactory Performance Indicator (UPI) points allowable and a Notice to Cure was issued. DPSS is working with PUSD to assist in reducing future UPI points. Overall, DPSS has found services of the other 12 contractors to be satisfactory.

**Staff Turnover:** Staff turnover rate during this period remained at 12 percent. Six of the 13 agencies increased the number of staff working on Stage 1 Child Care Services, while two of the contractors decreased staff. Five of the agencies had no net change in staff between July – December 2006.

**Fraud Prevention:** DPSS has, in concert with the Auditor-Controller, hired an independent auditor to review the contractors' payment systems to ensure program integrity. During this report period, the auditor documented and evaluated the adequacy of controls and conducted on-site follow-up reviews at each of the 13 APP agencies to determine the status of the recommendations made. Two agencies have implemented all recommendations and the remaining 11 are in various stages of implementation. DPSS will follow-up with these contractors to ensure compliance with the recommendations.

As a result of recommendations made in the Civil Grand Jury report, the new Stage 1 Child Care contract has incorporated new fraud prevention measures including a requirement that the APPs accept only original documents for verification purposes.

BY:cjr

#### Attachments

c:     Executive Officer, Board of Supervisors  
        Chief Administrative Officer  
        County Counsel  
        Auditor-Controller  
        Child Care Planning Committee

**NUMBER OF CHILD CARE CASES/PAYMENTS**  
**July - December 2006**

The following chart reflects the combined number of Stage 1 Child Care authorizations and Enhanced Referrals processed by the Alternative Payment Program agencies and the authorized amount of Stage 1 Child Care payments issued for the report period.

<b>ALTERNATIVE PAYMENT PROGRAM AGENCY</b>	<b>CASES RECEIVING CHILD CARE ASSISTANCE AND ENHANCED REFERRALS July-December 2006 (1)</b>	<b>AUTHORIZED AMOUNT OF PROVIDER PAYMENTS (2)</b>
Center for Community and Family Services	7,125	\$6,092,126
Pathways (formerly Child and Family Services)	3,327	\$2,272,391
Child Care Information Service	1,995	\$1,634,185
Child Care Resource Center	15,161	\$12,195,521
Children's Home Society	5,660	\$4,998,490
City of Norwalk	1,007	\$741,104
Connections for Children	1,030	\$657,899
Crystal Stairs, Inc.	16,959	\$14,962,839
Drew Child Development Corporation	3,841	\$3,432,077
International Institute of Los Angeles	1,027	\$509,098
Mexican-American Opportunity Foundation	5,746	\$4,242,789
Options	3,486	\$2,791,281
Pomona Unified School District	3,128	\$2,701,893
<b>TOTALS</b>	<b>69,492</b>	<b>\$57,231,693</b>
<b>Monthly Average</b>	<b>11,582</b>	<b>\$9,538,615</b>

**NUMBER OF CHILDREN SERVED**  
**July – December 2006**

The following chart reflects the monthly average number of children by age category who received child care services by each of the Alternative Payment Program agencies.

The total average number of children serviced during this period decreased by 229.

ALTERNATIVE PAYMENT PROGRAM AGENCY	CHILDREN'S AGES							
	UNDER ONE	1	2	3-4	5-10	11-12	13-18	TOTAL
Center for Community and Family Services	67	206	224	398	670	135	14	1714
Child Care Information Service	20	54	65	115	175	33	3	465
Child Care Resource Center	141	406	446	829	1320	244	29	3415
Children's Home Society	31	125	143	283	502	97	14	1195
City of Norwalk	7	29	33	60	118	21	2	270
Connections for Children	9	26	31	47	57	19	1	190
Crystal Stairs, Inc	130	412	524	984	1623	349	44	4063
Drew Child Development Corporation	43	122	123	224	390	89	11	1002
International Institute of Los Angeles	7	18	23	33	63	20	1	165
Mexican-American Opportunity Foundation	54	155	164	322	643	116	11	1465
Options	29	89	99	184	343	66	4	814
Pathways	23	151	84	152	288	63	7	768
Pomona Unified School District	21	85	88	153	295	52	3	697
<b>TOTALS</b>	<b>582</b>	<b>1,878</b>	<b>2,047</b>	<b>3,784</b>	<b>6,487</b>	<b>1,304</b>	<b>144</b>	<b>16,226</b>